

## **THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001 & THE JOBS AND GROWTH TAX RELIEF RECONCILIATION ACT OF 2003**

### **WILL PROVIDE BENEFITS TO 325,000 MONTANA TAXPAYERS**

#### **REDUCING TAXES**

- **325,000** taxpayers in Montana will have lower income tax bills in 2004 under EGTRRA and JGTRRA.

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#### **NEW 10-PERCENT BRACKET**

- **More than 285,000** taxpayers in Montana will benefit from the new 10-percent bracket enacted in EGTRRA and the JGTRRA acceleration to 2003 of the expansions of the bracket scheduled for 2008.

#### **REDUCTION IN INCOME TAX RATES**

- **More than 45,000** taxpayers in Montana will benefit from the EGTRRA reduction in income tax rates above 15-percent and the JGTRRA acceleration to 2003 of the reductions scheduled for 2004 and 2006.

#### **REDUCTION OF MARRIAGE PENALTY**

- **More than 105,000** married couples in Montana will benefit from the JGTRRA acceleration to 2003 of the EGTRRA provisions that increase the standard deduction for joint filers to double the amount for single filers and increase the width of the 15-percent bracket to twice the width for single filers. These two provisions were scheduled to phase in between 2005 and

#### **INCREASE IN CHILD TAX CREDIT**

- **80,000** married couples and single parents in Montana benefit from the increase in the child tax credit under EGTRRA and the JGTRRA acceleration to 2003 of the increase from \$600 to \$1,000 that was scheduled to phase in between 2005 and 2010.

#### **REDUCED TAX RATES ON CAPITAL GAINS AND CORPORATE DIVIDENDS**

- **More than 60,000** taxpayers in Montana will benefit from the reduced tax rates on capital gains and corporate dividends under JGTRRA.

SOURCE: Counts are for the number of returns filed in 2003 that would have benefited from the package. These estimates are based on tabulations from all individual income tax returns processed by the Internal Revenue Service in 2003. Most of these returns covered tax year 2002.

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